

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC JOINT APPLICATION OF)	
LOUISVILLE GAS AND ELECTRIC COMPANY)	
AND KENTUCKY UTILITIES COMPANY FOR)	
REVIEW, MODIFICATION, AND)	CASE NO.
CONTINUATION OF CERTAIN EXISTING)	2017-00441
DEMAND-SIDE MANAGEMENT AND ENERGY)	
EFFICIENCY PROGRAMS)	

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO
LOUISVILLE GAS AND ELECTRIC COMPANY
AND KENTUCKY UTILITIES COMPANY

Louisville Gas and Electric Company and Kentucky Utilities (jointly ("Companies")), pursuant to 807 KAR 5:001, is to file with the Commission the original in paper medium and an electronic version of the following information. The information requested herein is due February 7, 2018. Responses to requests for information shall be appropriately bound, tabbed, and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

The Companies shall make timely amendments to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which the Companies fail or refuse to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When filing a document containing personal information, the Companies shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Application, paragraph 24. Does the Companies' projected total Demand-Side Management-Energy Efficiency ("DSM-EE") portfolio cost of \$98.25 million from 2019 to 2025 reflect the recently enacted Tax Cuts and Jobs Act reductions in federal corporate income tax rates? If not, provide a schedule containing the effects the rate reductions will have on the portfolio cost.

2. Refer to the Direct Testimony of Gregory S. Lawson ("Lawson Testimony"), page 2, lines 9–11. Provide an example illustrating the difference between a program being cost-effective at the program level versus cost-effective based on achievable potential.

3. Refer to the Lawson Testimony, page 15, lines 11–15. Provide examples of how the Companies will continue education efforts regarding the benefits of reduced energy consumption.

4. Refer to the Lawson Testimony, page 17, line 14.

a. Apart from the WeCare Program, explain why the Commission should approve programs in which the total resource costs (“TRC”) ratios are less than one and the resulting costs impose a burden on those not participating in the programs and on low-income customers.

b. Refer to the Lawson Testimony, page 29, lines 13–15. Explain how spending customer dollars on programs which are not cost-effective based on the TRC scores is a prudent and good application of customer dollars.

5. Refer to the Lawson Testimony, page 20, line 1.

a. Explain the higher cost for the Large Non-residential Demand Conservation Program in 2022 as compared to the other years.

b. Explain why the program costs for the Residential and Small Non-residential Demand Conservations decrease in 2020.

c. Explain why the program and capital costs for the AMS Customer Service Offering decrease in 2020.

6. Refer to the Lawson Testimony, page 23, lines 3-5. The Companies are proposing to maintain a static level of participation for the Large Non-residential Demand Conservation Program, yet expand the program to include the industrial rate classes. Confirm that an industrial customer cannot participate unless an existing customer decides to discontinue participation in the program.

7. Refer to the Lawson Testimony, page 24, line 2. Provide an explanation of LEED.

8. Refer to the Lawson Testimony, page 25, lines 18–20. Explain how the Companies will ensure there is no cross-subsidization between the residential and non-residential customers.

9. Refer to the Lawson Testimony, page 28, line 19–22. Of the 7,125 meters installed to date, provide the number of meters installed for each company.

10. Refer to the Lawson Testimony, Exhibit GSL-1, page 40 of 182. Explain why the Administration Program Costs exceed other Program Costs for the Advanced Metering Systems Customer Service Offering.

11. Refer to the Direct Testimony of David E. Huff (“Huff Testimony”), page 4, pages 9–10. Provide support for the \$400 million in avoided costs.

12. Refer to the Direct Testimony of Rick E. Lovekamp (“Lovekamp Testimony”), page 6, line 19, through page 7, line 6. Describe the process by which an industrial opt-out form is reviewed and the factors that are considered in order for an eligible industrial customer to be exempt from the Companies’ DSM-EE surcharge.

13. Refer to the Lovekamp Testimony, page 3, lines 16–21. Explain the purpose of a 50-basis-point incentive for the return-on-equity portion of the DSM Capital Cost Recovery component.

14. Refer to the Lovekamp Testimony, Exhibit REL-1, Supporting Calculations for DSM Cost Recovery Mechanism. Provide a copy of this exhibit in Excel Spreadsheet format with all formulas intact and unprotected, and with all columns and rows accessible.

15. Refer to the Lovekamp Testimony, Exhibit REL-2, Supporting Calculations for DSM Cost Recovery Mechanism. Provide a copy of this exhibit in Excel Spreadsheet format with all formulas intact and unprotected, and with all columns and rows accessible.

16. Refer to the Lovekamp Testimony, Exhibit REL-3, Supporting Calculations for DSM Cost Recovery Mechanism. Provide a copy of this exhibit in Excel Spreadsheet format with all formulas intact and unprotected, and with all columns and rows accessible.



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DATED JAN 23 2018

cc: Parties of Record

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